CABINET FOR HUMAN RESOURCES
Department for Social Insurance
Frankfort, Kentucky 40621

PA-264 Report Series:

PUBLIC ASSISTANCE IN KENTUCKY

April 1983

Data contained in the PA-264 series of reports reflects statistical tabulations of recipients and payments for the major welfare programs administered by the Cabinet for Human Resources, Department for Social Insurance; namely, Aid to Families with Dependent Children, State Supplementation to the Aged, Blind and Disabled, and Medical Assistance Program (Medicaid).

Data are displayed by county as well as state totals for recipients and payments for each major program and for medical care by type of service. For Medicaid, state total average payments, number of utilizers and utilization rates (per 100 eligible) by eligibility category and type of medical service are shown. Data pertaining to recipients of money payments (AFDC and State Supplementation) and recipients "eligible" for medical care are based on actual eligibility for the indicated period. Data pertaining to recipients (utilizers) of medical care are based upon date of payment of the medical bill rather than date of medical service. The sum of the utilizers for the different types of medical services does not equal the total since a person may be included in more than one type of service. This report does not reflect all fiscal adjustments.

References to "Guardianship Cases" relate to those in which the recipient has been legally adjudged to be mentally incompetent and the State Agency has been designated as "Committee" in their behalf. Data contained herein relates to those recipients receiving assistance through a program administered by the agency. Most of these recipients are residents of Mental Hospitals (Central, Eastern, or Western) or Intermediate Care Facilities (Hazelwood, Oakwood, or Excepticon/Outwood) and consequently, are physically located in Christian, Fayette, Hopkins, Jefferson, and Pulaski Counties. A few are in Personal Care or Family Care Homes throughout the State. Beginning July 1980, responsibility for such "Committee" cases was transferred from the respective counties to the Agency's Central Office in Franklin County even though the recipient was not physically relocated; as a result, data for recipients receiving SSI only are included with Franklin County's data in this report. The number of such SSI only guardianship cases eligible for Medicaid is contained in a footnote in Part A, Table 2. The number of SSI only guardianship Medicaid utilizers and associated payments is included with their respective eligibility classification of aged, blind or disabled in Tables 2 through 7, but such amounts cannot be identified.

Part A: Summary of Public Assistance Payments and Eligible Recipients. Part A contains the grand total of all payments by type of program i.e., AFDC, State Supplementation, and Medicaid, and eligible recipients by eligibility criteria, i.e., categorically needy money payment classifications and medically needy classifications. Program coverage and eligibility criteria are defined in the following descriptions of the respective Programs.

Part B: Aid to Families with Dependent Children (AFDC). Established under Title IV-A of the Social Security Act of 1936, the AFDC federal/state funded money payment program provides for the basic subsistence needs of children who are deprived of parental support or care due to death, continued absence, physical or mental incapacity of the parent, and (at states option and/or fiscal capability) unemployment of parent. In addition, assistance is available for eligible children needing placement in foster care upon judicial finding that the home is not conducive to the child's well-being until such time as home-setting is improved and the child can be returned. On October 1, 1942, Kentucky implemented AFDC for children deprived due to death, absence or incapacity of parents and on February 1, 1964, expanded the Program to include Foster Care. SSA established funding under Title IV-E to cover foster care and in April 1982, such foster care children were transferred to the Department for Social Services. The unemployed parents (father) segment (AFDC-UF) was in effect in Kentucky from July 1975 through July 1977.

PA-264 Report (Con't)

Part C: State Supplementation to Aged, Blind, and Disabled (SS). The 1972 Social Security Amendments mandated the Social Security Administration to assume the Title XVI, Aid to Aged, Blind, or Disabled, Federal/State money assistance program. This program as implemented by SSA in January 1974, is known as Supplemental Security Income (SSI) and is supported by all federal monies. The law also mandated states to supplement from all state monies, any difference between a SSI payment and the prior AABD payment for persons who were receiving Title XVI on December 31, 1973; hence, "Mandatory State Supplementation." Kentucky also elected to provide this same type of State Supplementation to those persons becoming eligible for SSI after January 1974 as well as non-SSI recipients meeting the eligibility requirements. Since this was not required by law, this all state payment is known as "Optional State Supplementation." In Kentucky, State Supplementation is directed primarily to aged, blind or disabled persons residing in Personal Care Homes, Family Care Homes, or persons needing a "Caretaker" in their own home to prevent institutionalization. Since SSI is an all federal program, this report does not show data pertaining to the SSI money payment. Both SSI and SS are defined as categorically needy for Medicaid eligibility.

Part D: Medical Assistance Program (Medicaid).

Eligibility Critieria. The 1960 Amendments to the SSA (Kerr-Mills) provided for federal/state funding for medical care for persons receiving a public assistance money payment, i.e., categorically needy and for the aged medically indigent only. Kentucky adopted the program in January 1961. Subsequent amendments designated selected groups as categorically needy and consequently eligible for Medicaid. Such groups are 1) AFDC cases with money payments discontinued due to increased earnings retain Medicaid eligibility for four (4) months - implemented May 1974; 2) SSI persons discontinued due to increase in social security benefits, known as "pass-through" cases - implemented July 1977; 3) AFDC recipients eligible for less than $10 but due to ORBA of 1981 do not receive payment - implemented February 1982.

The 1965 Amendments established Title XIX and allowed for expansion of the program to persons other than the aged who were not in receipt of money payments for subsistence needs, i.e., Medically Needy only persons. Eligibility criteria parallel the categorically needy except for income. As implemented in July 1966, (the effective date of the amendment), Kentucky's Medical Only Program extended coverage beyond the basic categorical groups of aged, blind, disabled and families with dependent children deprived due to death, absence, or incapacity of parent to the medically indigent families with children with unemployed parents and also for the "unborn" child, two segments not receiving money payments in Kentucky.

Effective July 1973, federal regulations restricted the definition of unemployment to specified time-related labor market attachments. Concurrent with this action, Kentucky elected to cover persons meeting the eligibility criteria for special groups of children only and thereby retained coverage for children only in families with unemployed parent(s) with a less restrictive work history. This segment, referred to as "State definition of unemployed parent" was discontinued October 1, 1981, for cost-containment purposes. In February 1974, the Medical Only Program was expanded to cover a special group of children who are patients in psychiatric hospitals.

Scope of Medical Services. The 1960 Amendments as implemented in Kentucky in January 1961 covered the services of physicians, prescribed drugs, inpatient hospital, dental and nursing home (SNF). The 1965 Amendments were implemented in Kentucky with coverage for mental and TB hospitals in July 1966; outpatient hospital, home health and lab were added in July 1967; Supplemental Medicaid Insurance (SMI) for persons eligible for Title XVIII, Medicare, in April 1968; mental health clinics in July 1969; Intermediate Care in 1972; six services were added during 1973 - Intermediate Care for mentally retarded (ICF-MR), vision, hearing, ambulance and non-emergency transportation; mandated family planning was implemented in December 1974; Primary Care Clinics in July 1978; and Rural Health Clinics in September 1982.

Roy Butler, Director
Division of Management and Development

Marjorie Barker, Editor
(502) 564-3556